SIAST 2002-2003 Annual Report

Passion. Vision. Leadership.

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The Saskatchewan Institute of Applied Science and Technology (SIAST) is a nationally recognized provider of skills and technical training. Through partnerships with business and industry, we ensure that our curriculum matches opportunities and needs in the workplace, an approach that results in high employer satisfaction with SIAST graduates. Our consultative approach and our commitment to real-life learning contribute to a graduate employment rate consistently in excess of 90 percent. We serve more than 12,000 full- and part-time students through four urban campuses and distance learning, and we draw approximately 29,000 additional individual registrations.

Letter of Transmittal

400 – 119 4th Avenue South
Saskatoon, Saskatchewan
S7K 5X2

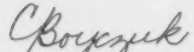
September 26, 2003

The Honourable Judy Junor
Minister of Learning
Saskatchewan Learning
Province of Saskatchewan
Regina, Saskatchewan
S4S 0B3

Dear Minister:

On behalf of the board of directors of the Saskatchewan Institute of Applied Science and Technology (SIAST) and in accordance with the provisions of the *SIAST Act*, I am pleased to submit the annual report and audited financial statements of SIAST for the fiscal year ended June 30, 2003.

Respectfully submitted,



Christine Boyczuk
Chair
SIAST Board of Directors

Mission, Vision & Values

Mission

SIAST is Saskatchewan's primary public institution for the development and delivery of post-secondary technical education and skills training. We share knowledge, provide skills training and engage in applied research, meeting the needs of students, employers and our communities.

Vision

SIAST is a leader in superior education, focused on students and lifelong learning — a catalyst for advancing the social and economic prosperity of Saskatchewan.

Values

Individually and collectively, the SIAST community will achieve its vision by adhering to the following values and principles:

- **Communication.** We engage in open, focused communications with stakeholders in the pursuit of common goals.
- **Involvement.** We are involved meaningfully in decisions that affect us.
- **Ethics.** We adhere to high standards of ethical behaviour. We do the right thing based on sound principles, attributes of good character and caring for others.
- **Innovation.** We value and reward innovation and creativity that further the goals of the organization.
- **Excellence.** We promote excellence through high standards and expectations.
- **Positive work environment.** Together, we will create a work environment that is healthy, safe and balanced.

- **Professionalism.** We are committed to our practice, using our knowledge and skills to produce excellent results, and reflecting on our work to constantly improve ourselves and how we do things.
- **Leadership.** We engage in consultative, shared and supportive leadership that inspires informed and appropriate decision-making throughout the organization.
- **Diversity.** We strive for diversity among student and employee populations to enrich the learning experience and the working environment.
- **Partnerships.** We seek well-conceived partnerships that yield mutual benefits and expedite our mission.

Message from the Board Chair

During consultations on SIAST's vision, my board colleagues and I were impressed by the high regard with which both internal and external stakeholders hold SIAST. The importance they place on our role in the province is reflected in the organization's new vision statement:

"SIAST is a leader in superior education, focused on students and lifelong learning – a catalyst for advancing the social and economic prosperity of Saskatchewan."

Finalizing a new vision was a key development in 2002-03, as was the successful and seamless transition to new leadership. My board colleagues and I would like to thank Dr. Bob McCulloch for the energy he has brought to his new role as president and chief executive officer of SIAST, and especially for his commitment to student success.

Bob leads a dedicated and equally committed team of faculty, staff and management. Together, they provide a level of support that enables SIAST's hard-working students and graduates to accomplish their personal goals and contribute at a high level to the province.

The organization has made substantial progress on several ongoing initiatives, including those relating to:

- **Accessibility.**
- **Employee renewal and retention.**
- **Recruitment, retention and successful participation of Aboriginal persons.**
- **Partnerships.**
- **Organizational effectiveness.**
- **Funding.**

Strengthening partnerships has also been a priority for SIAST, and we continue to work closely with industry, regional colleges, universities, the Apprenticeship and Trade Certification Commission, private vocational schools, Aboriginal institutions, and the kindergarten to Grade 12 school systems to meet the labour market needs of Saskatchewan. We will continue to be a major contributor to creating a provincial sector strategic plan critical for advancing the social, economic and personal well-being of Saskatchewan people through education and training.

At the board level, our accomplishments include external relations initiatives, enterprise risk management, advocacy and evaluation of governance process and procedure.

The board of directors and I would like to thank the many stakeholders who contributed to SIAST's continued success through the year, including our provincial government colleagues at Saskatchewan Learning, business and industry partners, and our community supporters. We would especially like to acknowledge the contributions of retiring board members Barbara Beavis, Margaret Dagenais, Bill Hutchinson and Rico Mirasty. We welcome the future contributions of new board members Louis Gardiner, Tina Merasty, Jean Morrison, student representative Kent Mortenson and faculty and staff representative Garry Ramage.

C Boyczuk

Sincerely,
Christine Boyczuk
SIAST Board Chair

SIAST Board of Directors

Christine Boyczuk, Chair
(appointed February 1, 2000)

Owen Sebastian, Vice-Chair
(appointed October 30, 1996)

Dr. Robert G. McCulloch,
President & CEO

Dennis Anderson
(appointed February 1, 2000)

Louis Gardiner
(appointed April 29, 2003)

Mike Hintze
(appointed February 1, 2000)

Cheryl Bauer Hyde
(appointed February 1, 2000)

Trevor Klassen
(appointed February 1, 2000)

Keith Martell
(appointed February 1, 2000)

Paul McLellan
(appointed July 25, 2001)

Tina Merasty
(appointed April 29, 2003)

Jean Morrison
(appointed April 29, 2003)

Kent Mortenson
(appointed April 29, 2003)

Morris Onyskevitch
(appointed February 1, 2000)

Garry Ramage
(appointed June 25, 2003)

Violet Stanger
(appointed July 25, 2001)

Message from the President

Clearly articulated goals and priorities enable SIAST to move quickly on opportunities that advance the social and economic prosperity of Saskatchewan. As a result, this annual report details myriad ways in which we have kept pace with – and often stayed a few steps ahead of – skills training and education needs. There are three areas in particular to which I'd like to draw your attention:

Meeting the demand for skilled workers.
In 2003, the number of certificate and diploma holders to graduate from SIAST rose for the third consecutive year, increasing 4.4 percent from the previous year. We maintained a graduate employment rate in excess of 90 percent, and we continued to generate Aboriginal student enrolment at a level higher than our long-term goals. Our education equity activities and student support are crucial elements in meeting our objective to respond to Saskatchewan's human resource needs.

Program quality and accreditation.
Our most recent surveys show that 97 percent of graduates rate program quality as good to excellent, and 96 percent of employers say they're satisfied or very satisfied with SIAST grads. That's because our faculty and staff are committed to meeting the highest standards. They work closely with business and industry experts to ensure that curriculum is relevant, and where possible they seek external accreditation to validate program quality. Employee and program development initiatives, and our common educational framework, also ensure that we maintain our high standards.

Community involvement.
Early in the year, as a relative newcomer to SIAST, I asked a colleague about community involvement. The "small sampling" that was provided included an extensive list of athletic, social and cultural commitments. In Prince Albert, for example, we were a major sponsor of the Special Olympics with an in-kind donation of $50,000, and our campus twice hosted scores of people evacuated from the threat of forest fire. Across the organization, our employees are involved with service clubs, cultural and heritage committees, tourism, and business. We have a personal stake in contributing to our communities, just as we have a passionate professional interest in furthering social and economic development within the province.

Please accept my invitation to read more about our contributions, initiatives and accomplishments both in the print version of this annual report and in its expanded online version. I also invite you to contact us for additional information or to comment on any aspect of our operations.

Sincerely,

R. G. McCulloch

Dr. Robert G. McCulloch,
President & CEO

SIAST
grads give our
programs a 97 percent
approval rating.

Retrospective

At SIAST, we began the year with the installation of a new president under the banner "Passion – Vision – Leadership." It was a theme that resonated through the months that followed, and one that continues into another promising year ...

LEADERSHIP

Installation ceremonies for SIAST's new president and CEO, Dr. Bob McCulloch, brought together faculty and staff from across the province, student representatives, SIAST board members and key government officials, including the Lieutenant-Governor of Saskatchewan, the Hon. Linda Haverstock. Festivities continued through the following week, with meet-the-president events at each SIAST campus.

While SIAST made a seamless transition to new leadership, across the organization our divisions demonstrated leadership regionally, nationally and internationally ...

Enhanced Access

Our Virtual Campus further expanded access to SIAST programming, increasing the number of SIAST courses available via online delivery. Registrations for online courses increased more than 50 percent to 1,100. Student and faculty support continued to receive strong emphasis. More than 500 faculty members each took advantage of at least one in-house workshop. Technology greenhouses for staff drew 200 visits, and faculty trainers made more than 100 "house calls" across SIAST. Our first technology learner support centre for students averaged 30 visits a day. The second of four planned learner support centres opened at the end of the year.

The opportunity for students to receive credit for knowledge gained outside the classroom continued to grow as additional courses underwent review for prior learning assessment and recognition (PLAR). Numerous workshops in PLAR were conducted for both internal and external audiences.

Our Early Childhood Education faculty, with government, business and community partners, conducted a training "gap analysis" of people working in the field and developed a model for using PLAR to fill that gap.

In 2002-03, we completed an extensive redevelopment of our admissions policy and procedures. Our new approach recognizes a broader context of learning, providing greater flexibility in admission requirements.

With support from our Skills Initiatives division, we provided credit in more than 150 work-based training projects, which together involved approximately 450 trainees. Work-based training offers a flexible model of training at a designated work site in partnership with industry.

SIAST once again received high marks for program quality from both graduates and employers. In our annual graduate employment survey, 97 percent of grads ranked SIAST training as good, very good or excellent. In a similar survey of employers, we received a 96 percent employer satisfaction rating – an improvement of four percentage points over the previous year.

Retrospective

"97 percent of grads ranked SIAST training as good, very good or excellent."

The roll-out of our education and training framework continued with the development and introduction of a common process for evaluation. The comprehensive curriculum model embodied by our educational and training framework provides province-wide consistency for both employers and students. Our program planning and development consultants provided orientation on the curriculum model and served as a resource for program development projects.

We continue to seek the highest possible external accreditation for our programs, thus validating curriculum for both students and employers. Our emergency medical technician programs were converted to Intermediate Care Paramedic and Advanced Care Paramedic, for example, in order to meet new accreditation requirements.

Bridging programs allow practitioners to upgrade to the new national standards. Our Dental Hygiene program underwent re-accreditation, and our Biotechnology program was the first in Canada to seek national accreditation. Practical Nursing and Practical Nurse Re-entry programs were each granted five-year approval by the Saskatchewan Association of Licensed Practical Nurses. Five engineering technology programs and one technician program underwent biennial review with the Canadian Technology Accreditation Board, and one underwent a full, on-site accreditation review. Our Computer Systems Technology and Computer Information Systems programs received accreditation from the Canadian Information Processing Society.

Four of our science and health programs had a 100 percent pass rate for graduates who wrote national certification exams. Our Health Information Services grads achieved the highest average in Canada in their certification exams.

A three-day, new instructor orientation program was developed for delivery in advance of the 2003-04 academic year. The program, which grew out of SIAST's grassroots Quality Learning Organization initiative, will give new faculty members a head-start on both administrative and academic duties when they begin classes in the fall. Professional development activities include the recently implemented annual extension education consultant and program head workshops. As well, we are pursuing development of a faculty certification program. We restructured our library operations from four distinct but collaborative units into one province-wide function located at four sites. Under the leadership of a director – a new position – the restructured library services will provide more consistent and efficient services to programs across the organization. Library staff are working together on the introduction of a web-based library management system that will provide enhanced services to students, staff and faculty.

Strategic Initiatives

Quality Learning Organization

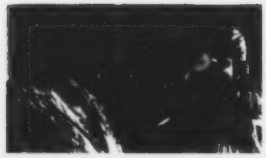
- Several SIAST-wide initiatives were undertaken as part of our commitment to embrace a Quality Learning Organization (QLO) culture. Major accomplishments centred on faculty and staff training and renewal.
- Community college teachers from across Manitoba and Saskatchewan attended the Prairie Region Great Teachers Seminar sponsored by SIAST.
- Under the auspices of QLO, a formalized mentorship and three-day orientation program was developed for new faculty.

Left:
We continue to score top marks with both employers and grads.

December 2002 SIAST Business graduate Jessica Evans.

Centre:
Our Virtual Campus continues to evolve at high speed through faculty support and ongoing course development.

Virtual Campus course designer Don Dietrich, SIAST Wascana employee Diane Harrison and faculty trainer Curt Schroeder.



Above:
Our first-ever director of Library Services is leading a restructuring of our four campus-based library units into one province-wide system.

Director of Library Services Heather West with SIAST Wascana Campus library staff member Christopher Thomas and Office Education student Schweta Maharajh.

Leadership

An orientation
program developed in
2002-03 will give new faculty
members a head start.

Retrospective

Strategic Initiatives

Aboriginal Education and Training

In response to the action plan developed by Saskatchewan Learning, we pursued a number of initiatives aimed at enhancing access to training and student success for First Nations, and Metis people.

- We successfully increased our focus in the north and rural areas, particularly with respect to program accessibility and affordability.
- Working in collaboration with the University of Saskatchewan and First Nations University of Canada, we contributed significantly to the approval and subsequent offering of the Nursing Education program in Prince Albert and the preparation of graduates to respond to the changing health needs of the north.
- Two new programs were launched to address health care needs of individuals with diabetes, especially in Aboriginal communities. The Basic Diabetes Education applied certificate and the Advanced Diabetes Education advanced certificate each have a capacity of 10 to 25 students, and each is available through distance delivery.

International

Ongoing demand for SIAST expertise in developing and delivering employer-driven programming led to additional overseas projects with the Canadian International Development Agency (CIDA). Highlights include:

- The federal government awarded us a $600,000 contract to help the Slovak Republic improve training access for underserved publics.
- We signed a $240,000 contract to help, with support from Mohawk College in Ontario, 20 engineering colleges and polytechnics in western India improve links with employers and stakeholders.
- Our youth internship program, renewed by the federal government, provided international working opportunities to 10 Saskatchewan graduates.
- A SIAST-led consortium of Canadian colleges began implementing a five-year, $1-million project to improve relationships between Malawi's growing private sector and public sector training institutions.

VISION

SIAST's board of directors wrapped up extensive internal and external consultations with the development of new mission, vision and values statements.

Our mission statement restates the mandate given to us by government and updated by the provincially legislated Committee of Review. Our new vision statement describes the future to which we aspire. That is, whereas we are currently a key contributor to Saskatchewan's social and economic development, we will strive to become a catalyst for development.

Through the year, several initiatives, some ongoing, set the stage for the realization of our vision.

Student Recruitment and Retention

Ongoing emphasis on education equity activities ensures that we will maintain our ability to meet Saskatchewan labour market needs in the face of demographic change. Aboriginal enrolment in SIAST programs, for example, continued to exceed our long-term 12 percent goal.

Far from being complacent, however, we continue to seek new ways to recruit and retain Aboriginal students. With the University of Saskatchewan, for example, we welcomed a new partner, the First Nations University of Canada, into the Nursing Education Program of Saskatchewan (NEPS) and extended the four-year degree program to Prince Albert with the addition of 40 seats. Even before adding the Prince Albert component to NEPS, more than nine percent of our nursing degree students were Aboriginal – a national best.

We took a somewhat longer-term approach to Aboriginal student recruitment when we negotiated a partnership to join the Saskatoon Tribal Council's Super Saturday program. Through summer and Saturday camps for First Nations

"Ongoing emphasis on education equity activities ensures that we will maintain our ability to meet Saskatchewan labour market needs in the face of demographic change."

Retrospective

students in Grades 4 through 12, that program is designed to promote choices in careers and professions.

As leaders in the area of Aboriginal student recruitment and retention, we recruited partners, initiated plans and solicited preliminary funding for a Western Canada symposium, *Aboriginal People in Trades: Strategies for Success*. The symposium is scheduled for fall 2004.

"Analysis of the *Future of Health Care in Canada* found that almost 30 SIAST initiatives are consistent with Romanow's recommendations."

A review of SIAST recruitment activities resulted in the expansion to targeted areas outside the province and the creation of a full-time Aboriginal student recruitment position.

Our Industrial Training and Technology divisions collaborated on the expansion of a GETT (Girls Exploring Trades and Technology) summer camp program to all four campuses.

"Through the year, we invested $750,000 in program renewal and new program development."

Responsiveness to Employers

We continue to respond to employers in all sectors by developing new programs to meet new needs, discontinuing programs that no longer fill a need, adjusting capacity where demand warrants and refining ongoing programs to ensure they remain relevant. Through the year, we invested $750,000 in program renewal and new program development. We removed 19 programs from the books and added nine to our portfolio, for a total of 163 certificate and diploma programs plus the Nursing Education Program of Saskatchewan.

New programs include:

- Applied and advanced certificates respectively in Basic and Advanced Diabetes Education for Health Care Providers, available entirely through distance education
- Website Design and Development
- Applied Electronics Technician
- Underground Mining: Specialized Mining Methods (raise boring)
- Telecommunications/Radio Systems Technician
- Gerontological Nursing and Gerontological Licensed Practical Nursing
- Cytotechnology

Reconciliation of the 2003 Romanow report on health care with current and planned SIAST initiatives provided a snapshot of responsiveness within one area of our organization. Our in-depth analysis of *The Future of Health Care in Canada* found that almost 30 SIAST initiatives are consistent with Romanow's recommendations. With plans to add 240 new positions to train emergency medical technicians, for example, we are in step with the report's recommendation regarding increased training opportunities in rural and remote communities.

Aboriginal Education and Training Con't

- A memorandum of understanding was signed with the Federation of Saskatchewan Indian Nations to develop agricultural training for First Nations people.
- In collaboration with the Saskatoon Tribal Council, we planned the first "Super Saturday" at SIAST. Super Saturday functions are designed to expand the career and professional interests of First Nations students in Grades 4 to 12.
- An Aboriginal student recruitment liaison position was created to co-ordinate and enhance SIAST's effort toward achieving a more representative student body.
- Curriculum continues to be modified to better accommodate Aboriginal student participation. In particular, increased Aboriginal content has been incorporated in nursing and natural resources technology programs.
- Further refinements to the Aboriginal Education and Training Action Plan have been developed and incorporated in SIAST's business plan 2003-2008.
- We maintained Aboriginal student enrolment of plus-18 percent in SIAST programs.

Left:
A new framework will support applied research efforts by SIAST faculty.

Hamilton Greenwood, Natural Resources program head, SIAST Woodland Campus.

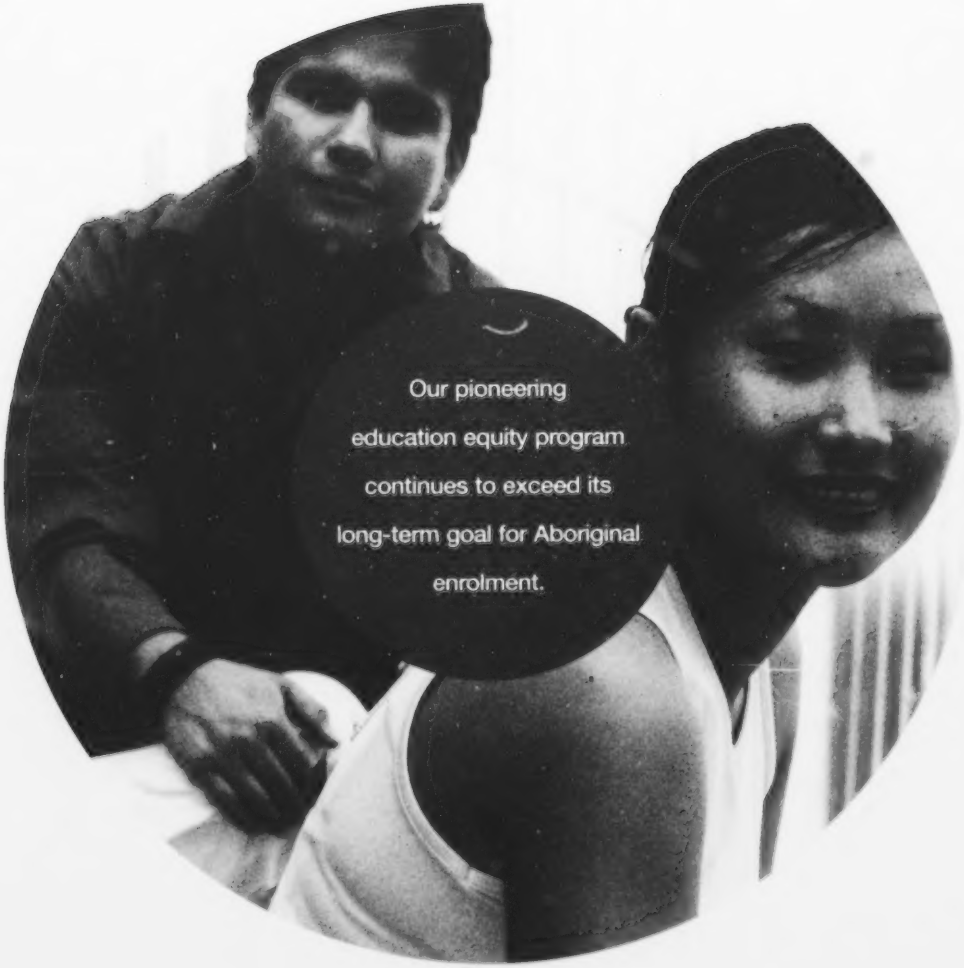
Centre:
SIAST welcomed First Nations University of Canada as a new partner in the Nursing Education Program of Saskatchewan, now offered in Prince Albert.

Jeannette Waniandy, first-year registered nursing student, Prince Albert.

Above:
In response to provincial demand, we will train an additional 240 emergency medical services personnel.

Christine Mclean and Mike Schindel, Primary Care Paramedic students at SIAST Kelsey Campus.

Vision


Our pioneering
education equity program
continues to exceed its
long-term goal for Aboriginal
enrolment.

Retrospective

Strategic Initiatives

Partnerships and Strategic Alliances

We sought new opportunities to increase regular and online programming in partnerships with business, industry and other institutions.

- Articulation agreements were implemented for joint programs with the University of Regina and Athabasca University.
- We signed a memorandum of understanding with College Mathieu, College L'Acadie, New Brunswick Community College – Dieppe and L'universite Ste Anne to provide delivery of an entrepreneurship program in French to Saskatchewan students.
- Board members and provincial cabinet ministers met one-on-one to discuss SIAST's achievements and challenges and to reinforce the importance of SIAST to the province as a major contributor to economic and social development.

Innovation and Partnerships

In 2002-03, we laid the groundwork for increased innovation that directly supports business and industry by establishing a framework for applied research. That framework will enable faculty to pursue more applied research funding and more private- and public-sector applied research partnerships. Our increased emphasis on applied research responds both to the provincial government's Committee of Review recommendations regarding our mandate and to the federal government's Innovation Strategy.

That strategy notes that Canadians must increase productivity through innovation in order to compete globally.

Development of the framework was especially timely, given the increased focus on research that was part of the 2003 federal budget.

From the expansion of our Nursing Education Program of Saskatchewan partnership to the recruitment of volunteer tutors for Aboriginal learners, we seek to extend our reach and effectiveness, and increase our graduates' mobility through strategic partnerships. Examples from the year include:

- Through a partnership between our Basic Education division at SIAST Kelsey Campus, the Saskatoon Tribal Council and Urban First Nations Inc., 15 learners were paired with volunteer tutors. The Vocational Transition Program, offered through a partnership between SIAST Wascana Campus and the Regina Public School Board, helped eight intellectually disabled young people find jobs.

"We laid the groundwork for increased innovation through applied research."

- The First Nations University of Canada and the University of Regina approved a Bachelor of Arts, Resource and Environmental Studies degree program, the third and fourth years of which follow SIAST's Resource and Environmental Law diploma program. A joint degree program in medical imaging, developed in conjunction with the University of Regina, was introduced in 2002-03. The first graduates of a joint degree program in chemical technology convocated at year's end.
- Through our partnership with Saskatchewan's two universities and eight regional colleges, the First Nations University of Canada, the Saskatchewan Indian Institute of Technologies, Gabriel Dumont Institute and Dumont Technical Institute, and Saskatchewan Learning, we will host and provide technical support to Campus Saskatchewan. Campus Saskatchewan provides an online catalogue of post-secondary educational opportunities available through distance learning.
- We played a key role in bringing together le Service Fransaskois de formation aux adultes (SEFFA, Collège Mathieu), le College communautaire du Nouveau-Brunswick a Dieppe and le Collège de l'Acadie to increase business programming for French-speaking residents of Saskatchewan.
- Our Community Services division negotiated transfer agreements for a number of courses with the Saskatchewan Association of Rehabilitation Centres, the University of Saskatchewan, Athabasca University and the University of Regina. The division also partnered with the Saskatchewan Motion Picture Association and International Alliance of Theatrical and Stage employees on training within that industry.

Retrospective

- Through partnerships with regional colleges, Early Childhood Education, Ecotourism, Practical Nursing, and Recreation and Leisure Management, programs were offered in such areas as La Ronge, Quinton, Meadow Lake, Pinehouse and Buffalo Narrows.

- As part of the continued roll-out of our agriculture programming review, we signed a memorandum of understanding with the Federation of Saskatchewan Indian Nations to develop programming for First Nations people.

- Our new development office negotiated with campus foundations to dissolve those foundations and establish a SIAST-wide approach to fundraising. Through the year, numerous donations were received, including three $100,000 gifts. In addition, $80,000, which will be matched dollar-for-dollar by Saskatchewan Learning, was raised in support of Centennial Merit Scholarships. These scholarships, designated for the highest achievers among new high school graduates, help retain Saskatchewan's brightest young people.

PASSION

At each of our campuses, within our communities and within the education sector, our board members, staff and faculty maintain a passionate commitment to public service, and our students and grads are recognized for exceptional achievement and contributions.

From engaging stakeholders to sharing expertise to accolades for excellence, highlights include:

- Board chair Christine Boyczuk received the Commemorative Medal for the Queen's Golden Jubilee for contributions to the province.

- Board member Cheryl Bauer Hyde received a volunteer award from Saskatchewan Sport, SaskCulture and the Saskatchewan Parks and Recreation Association.

- Our president, Dr. Bob McCulloch, met with more than 200 business and community leaders in the province. At a national level, he was invited to participate in two federal government activities with the Association of Canadian Community Colleges. Internationally, he promoted SIAST in Vietnam and China. Bob continues to be involved in research, chairing a bone mineral density study group and serving as a team member on a University of Regina project involving older adults.

- SIAST is represented by campus directors and our president on the chambers of commerce for Moose Jaw, Prince Albert, Regina, Saskatoon and Saskatchewan. Dr. Bob McCulloch is a board member with the provincial chamber; in Prince Albert, campus director Larry Fladager assumed the position of president. Larry was also named to the University of Regina senate.

Strategic Initiatives

Accountability

Through the business planning process, we developed a strategy for incorporating performance measures with respect to strategic sector plan objectives.

- SIAST's new mission, vision and values statements were incorporated in the Business Plan 2003-08.

- An orientation, mentoring program and re-development of a board manual were undertaken to ensure continuity as new board members assume their responsibilities.

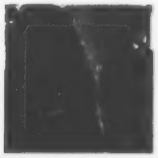
- An information resources planning and prioritization committee was established to advise on planning, integration, co-ordination and prioritization of technology requirements and projects.

- The four campus foundations were consolidated into one operation through the auspices of our new development office.

Left:

Basic Education faculty were recognized provincially and nationally for promoting adult literacy.

SIAST Kelsey Campus faculty members Cathy West, Rod Goertzen, Donna Gruening and Martha Kilcup.



Centre:

Kathy Campbell Tillie and Murray Fleece were recognized by national organizations for service above and beyond the call of duty.

SIAST Palliser Campus employees Kathy Campbell Tillie and Murray Fleece.

Above:
Our energetic recruitment team won the best-in-show award at a national career fair attended by more than 8,000 visitors.

Acting student recruitment co-ordinator and SIAST Woodland Campus new student advisor Connie Barkway.

Passion

SIAST photography students captured eight awards in a provincial competition. Several had work chosen for national exhibition.

Clockwise from centre left: Erica Tagert, James Cooper, Dionnica Davis and Jill Lanngan are among our award-winning Applied Photography students.

Retrospective

Agriculture Review

We continue to implement recommendations from our extensive agricultural programming review.

- Our restructured agriculture unit has collaborated with federal and provincial partners to meet future needs of the agriculture and agri-food industry.
- A new provincial advisory committee was created to inform and advise SIAST on possible agriculture programming initiatives.

Library Services

A new library structure was implemented to strengthen our position as a provincial organization with decentralized program delivery.

- A new electronic central library management system was purchased and installed. The system will greatly enhance consolidated operation of library services across SIAST.
- Our newly appointed director of Library Services is taking the lead role in ensuring that services are equitable across all four SIAST campuses and the Virtual Campus.

- Barb Bremner, then Virtual Campus director, and Claude Naud, vice president, programs, presented "Building Technology-Literate Organizations" at a national UNEVOC conference in Winnipeg. Claude was named the first chair of the Canadian Community College VP Network. Barb chaired the Connected Learning Solution at an SCT Summit on Information Technology in New Orleans.
- Diana Davidson Dick, dean of Nursing, co-authored a chapter on undergraduate education in *Realities of Canadian Nursing*, a nursing textbook. Diana was also named to a Canadian Association of Schools of Nursing task force on accreditation.
- Brian Kraus, dean of Basic Education, serves as the post-secondary representative on the Saskatchewan Council on Children and Youth.
- Instructor Cathy West received a Saskatchewan Literacy Award for her work with learners. Instructors Donna Gruening and Martha Kilcup received the Saskatchewan Literacy Project Award for a developmental English program offered to Aboriginal learners.
- Kathy Cambell Tillie was recognized by the National Council of Deans of Technology for administrative support provided to the council.
- Our student recruitment team, on its first appearance in Manitoba, received the Buffalo Award for Outstanding Educational Display at the Brandon Career Symposium, the second largest of its kind in Canada.
- SIAST's education equity committee received an award for excellence from the Canadian Association of Disability Service Providers in Post-Secondary Education.
- Judy Layne, dean of Science and Health, was named president of the Canadian Association of Allied Health Programs and president of the Regina Branch of the Public Administration of Canada.
- Nominated by two former students, nurse educator Judy Boychuk Duchscher was a finalist in the Saskatoon YWCA Women of Distinction Awards program.
- Rod Goertzen, a Basic Education program head, received a Canada Post Literacy Award.
- SIAST's Transition to Post-Secondary program received a National Excellence of Education Award from the Learning Disabilities Association of Saskatchewan.
- The Saskatchewan Labour Force Development Board (SLFDB) recognized our prior learning assessment and recognition program with an award of excellence. A parts management apprenticeship program developed through a partnership between SIAST and Weyerhaeuser management and employees also received a SLFDB award of excellence.
- Several images by our Applied Photography students were accepted into the Professional Photographers of Canada Print Salon, as was work by program

"SIAST's education equity committee received an award for excellence from the Canadian Association of Disability Service Providers in Post-Secondary Education."

Retrospective

grads. Applied Photography students received eight awards, including best of show, in the Saskatchewan Amateur Photography Competition.

- Wayne Despins, an instructor in the Corrections Worker program, received the Exemplary Corrections Service Award.
- Instructor Ann Hrabok, for her doctorate dissertation, was nominated for the Governor General's Gold Medal and the University of Saskatchewan Graduate Thesis Award.
- Barb Heise, director of Skills Initiatives, represents our region on an Association of Canadian Community Colleges initiative examining the integration of employability skills into college curriculum.
- Three SIAST-trained competitors won awards – including two gold medals – at the national Skills Canada competition. Logan Hjelte brought home gold in an architectural CADD category, and Mark Bonneville won gold in carpentry. Russell Flaman won a bronze medal in auto service.
- Murray Fleece, carpentry instructor, received the Skills Canada Appreciation Award for his service as a volunteer and in recognition of his commitment to the provincial and national skills competitions.
- Faculty member Candace Skrapek was named president of the Saskatchewan Registered Nurses' Association (SRNA). Candace will serve on the board of directors of the Canadian Nurses Association.

"Three SIAST-trained competitors won awards – including two gold medals – at the national Skills Canada competition."

- Two nursing students and three nurse educators received SRNA Millennium awards. Students Sarah McIvor and Dwayne Nagy received leadership awards. Diana Ermel received an award for health advocacy, Donna Marin was recognized for education excellence, and Alicia Mathias received the award for clinical excellence.
- Aaron Wilgosh, a Business student at SIAST Palliser Campus, will represent students in Manitoba, Nunavut and Saskatchewan on the Association of Canadian Community Colleges board.
- Brian Backhaus, a SIAST Wascana student, received a gold certificate of achievement from the Saskatchewan Division of The Duke of Edinburgh's Award, Young Canadians Challenge.
- Arnold Boldt, dean of Technology, was awarded an honorary Applied Science Technologist (A.Sc.T.) designation by the Saskatchewan Applied Science Technologists and Technicians.

Enrolment Figures

FLE Enrolment	2003	2002
Core Funded Certificate Diploma	4,709	4,849
Apprenticeship	2,522	2,560
Basic Education	1,729	1,741
Extension	3,884	3,641
Credit	2,997	2,828
Non-credit	887	813
Future Skills**	730	839
Total FLE Enrolment	**13,574**	**13,630**
University Courses	1,415	1,456

*In 2002, SIAST converted the enrolment of students to full-load equivalent (FLE) from full-time equivalent (FTE). FLE includes all training activity and better reflects all types of program delivery.

**Enrolment in Future Skills programs declined following a reduction in funding.

Number of Graduates

	2003	2002	2001	2000	1999
Diploma	850	844	818	868	762
Certificates	3,040	2,882	2,826	2,607	2,781
Total Graduates	**3,890**	**3,726**	**3,644**	**3,475**	**3,543**

Number of Programs

	2003	2002	2001	2000	1999
Diploma/certificate	*52	51	50	54	55
Certificate and advanced/ applied cert.	112	123	136	129	126
Apprenticeship	27	27	27	27	27
Total	**191**	**201**	**213**	**210**	**208**

*Includes NEPS program, which is a joint degree where SIAST offers the first two years. Programs counted provincially rather than by campus as of 1999. Post-diploma certificates are advanced certificates as of 1999.

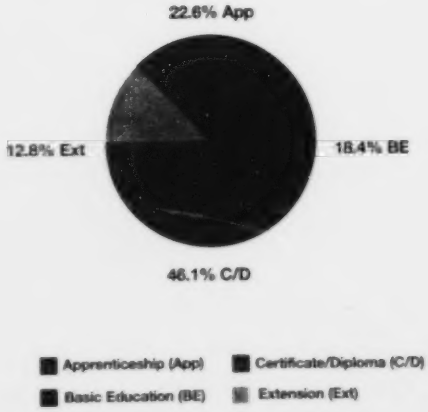
Enrolment Equity and Enrolment by Category

Education Equity Participation (%)

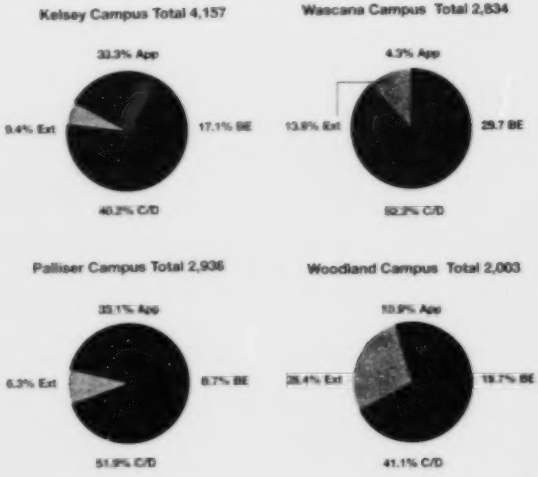
Designated groups of students	2002/03 participation	2002/03 goals	Long-term goals
Persons of Aboriginal Ancestry			
- SIAST	18.4	12.2	12.2 (all)
- Kelsey	15.9	12.2	
- Palliser	6.2	12.2	
- Wascana	18.2	12.2	
- Woodland	42.3	25.0	
Persons with Disabilities			
- SIAST	4.7	5.0 (all)*	9.7 (all)*
- Kelsey	4.2		
- Palliser	3.2		
- Wascana	7.5		
- Woodland	4.0		
Persons of Visible Minorities			
- SIAST	2.5	n/a	
- Kelsey	1.6		4.7
- Palliser	2.6		2.6
- Wascana	4.9		5.1
- Woodland	1.0		2.6
Female Students			
- SIAST	42.9	30.0 (all)*	50.0 (all)*
- Kelsey	38.4		
- Palliser	25.5		
- Wascana	65.0		
- Woodland	47.3		

Female students in predominantly male programs

SIAST Total 11,930



Enrolment by Category



Financial Highlights & Human Resources

Financial
(in thousands of dollars)

	2003	2002	2001	2000	1999
Revenues					
Grants	$88,058	$84,033	$83,306	$76,409	$73,233
Contractual Services	$21,569	$21,700	$20,313	$21,613	$24,964
Tuition and Fees	$17,583	$17,143	$16,311	$14,902	$13,114
Expenditures					
Salaries and Benefits	$87,541	$88,069	$83,561	$76,026	$75,287
Facilities Rental	$17,065	$16,325	$15,841	$14,958	$15,214
Materials and Supplies	$9,037	$8,642	$9,781	$9,800	$9,777
Services	$8,847	$8,685	$9,466	$7,847	$8,354
Excess (Deficiency) of Revenue over Expenses	$2,142	$(1,614)	$(17)	$3,194	$1,473
Total Assets	$45,940	$43,791	$51,421	$42,174	$40,425
Total Liabilities	$29,112	$29,461	$35,477	$26,213	$27,658
Net Assets	$16,828	$14,330	$15,944	$15,961	$12,767

SIAST Workforce — Full-time Equivalent (FTE) Totals (Based on Actual FTE)

July 1, 2001, to June 30, 2002, and July 1, 2002, to June 30, 2003

	Out-of-Scope		Academic		Admin. Support		Totals	
	2002-03	2001-02	2002-03	2001-02	2002-03	2001-02	2002-03	2001-02
SIAST Kelsey	15.25	15.37	340.35	330.35	123.18	121.7	478.78	476.42
SIAST Palliser	10.0	10.68	206.25	219.22	81.38	82.35	297.73	312.25
SIAST Wascana	12.85	12.69	224.28	229.87	118.44	126.78	355.57	369.34
SIAST Woodland	8.25	9.22	145.17	162.17	80.6	86.26	234.02	257.65
Administrative Offices	29.18	28.94	3.15	3.4	39.09	38.87	71.42	71.21
TOTALS	**75.63**	**76.9**	**919.2**	**945.01**	**442.69**	**455.96**	**1,437.52**	**1,477.87**

Objectives 2003-2004

SIAST will undertake a variety of activities in response to goals set out in the Saskatchewan Learning Strategic Plan. The plan seeks to create, through life-long learning, opportunities for all Saskatchewan people to contribute to and benefit from society and the economy.

Goal: Meet the diverse learning needs of individuals through high-quality programs and services.

SIAST response

- **Employee renewal and retention.** Formal instructor preparation will be a priority. Human resource processes will support a productive work environment, teamwork and excellence. Succession planning and employee renewal initiatives are among the ways we will address recruitment and retention.
- **Solid educational foundation.** We are implementing a single program framework focused on learning outcomes. We will continue to seek opportunities for review and accreditation, and will seek maximum accreditation in external program reviews.
- **Aboriginal student recruitment and retention.** Links with Aboriginal organizations, and elementary and high schools will be a key contributor to providing services that meet the needs of First Nations and Métis students.
- **Student success.** We will foster an environment that supports learning and growth, and prepares students for employment and lifelong learning in a changing world. Our program framework includes nine indicators of success to assist in measuring student retention and completion.
- **Technology.** We will continue to invest in educational technology to keep pace with advances in virtual learning. Connectivity solutions, especially through technology in the classroom and electronic access to information will figure prominently.

Goal: Meet the diverse needs of communities, employers and the economy.

SIAST response

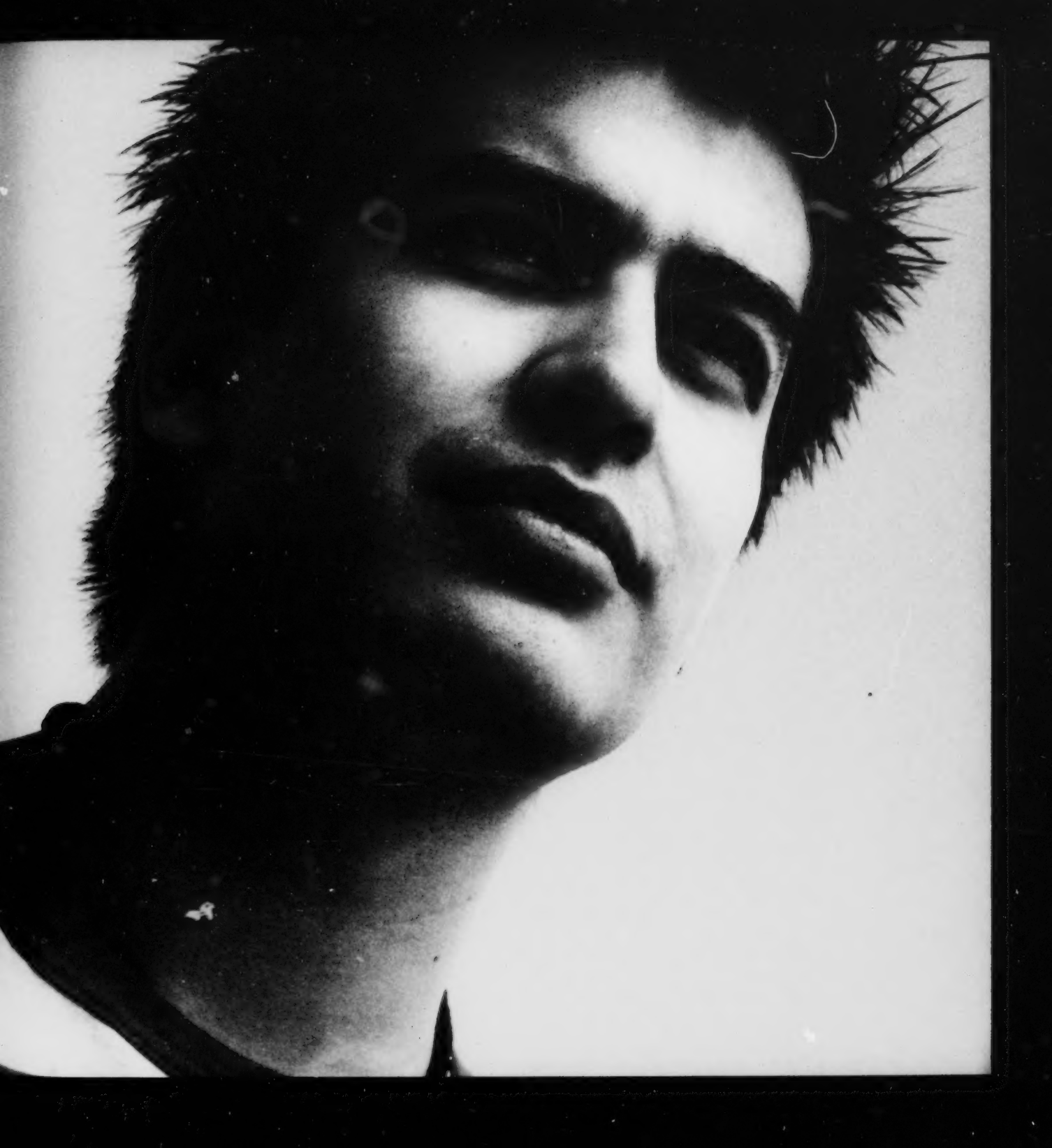
- **Responsiveness.** We will constantly review and refine our curriculum and program portfolio, capacity and delivery locations in response to the needs of business, industry and students.
- **Partnerships.** New and existing alliances with business, industry, other educational institutions, communities and governments will play a key role in supporting our efforts to contribute to economic and social development. New opportunities include applied research and work-based training.
- **Emerging labour market needs.** Collaboration with business and industry will continue to be a critical factor in maintaining program relevancy and responsiveness.

Goal: Sustain the structural and fiscal integrity of the system.

SIAST response

- **Organizational effectiveness.** We will foster an environment that is committed to continuous learning, quality, internal and external communications, and innovation.
- **Accountability.** We will continue to develop internal measures related to our priorities, especially with respect to capacity and demand, equity participation, learner success, employer satisfaction and learner mobility.

Financials.



Management Discussion and Analysis

Key financial results and data (in thousands of dollars)	2002 Actual	2003 Plan	2003 Actual	2004 Plan
Excess (Deficiency) of Revenue Over Expenses	$(1,614)	$0	$2,142	$ 0
Grants	84,033	87,622	88,058	92,299
Contractual revenues	21,700	19,745	21,569	18,456
Tuition and fees	17,143	17,379	17,583	17,824
Salaries and benefits	88,069	85,794	87,541	89,262
Facilities rental	16,325	16,549	17,065	17,719
Material and supplies	8,642	9,531	9,037	9,122
Services	8,685	9,699	8,847	9,357
Travel	3,273	3,687	2,997	3,718
Operating net assets	979	234	5,015	3,271

2002 – 2003 Highlights (in thousands of dollars)

- Excess of revenue over expenses was an increase of $3,756 over 2002
- Grants increased by $4,025 or 4.8%
- Contractual revenue decreased by $131 or 0.6%
- Tuition and fees increased by $440 or 2.6%
- Salaries and benefits decreased by $528 or 0.6%
- Facility rentals increased by $740 or 4.5%
- Materials and supplies increased by $395 or 4.6%
- Services increased by $162 or 1.9%
- Travel decreased by $276 or 8.4%

Financial Performance

For 2002-03, SIAST's revenues exceeded expenses by more than $2.1 million. This revenue together with fiscal restraints in capital expenditures resulted in a year-end balance of $5.0 million for operating net assets.

Grant Revenue

Operating grant revenue was slightly higher than anticipated due to the fact that the 2003-04 provincial budget, which included an increase in the facilities grant, came into effect three months prior to SIAST's year-end.

Management Discussion and Analysis

Contractual Revenues

Increased Extension and Quick Skills training resulted in contractual revenues exceeding budget. These revenue increases were offset by a reduction in international training owing to an unsettled political climate in many countries.

Tuition and Fees

The increase in tuition revenue over the previous year is mainly due to the 9.1% tuition fee increase. An increased enrolment in some programs and Extension and Quick Skills areas resulted in tuition and fees revenue above plan. These increases in revenue were offset by decreased enrolments in several programs.

Salaries and Benefits

The slight decrease in expenditures reflects a smaller workforce and a reduction in severance payments from the previous year.

Facilities Rental

An unanticipated increase in rental expense for the Academic Centre at SIAST Woodland accounts for the expense increase above plan.

Materials and Supplies

Expenses for purchases were lower than the planned amount.

Services

A reduction in costs for International Services activities, printing and computer lines were the main areas of reduction compared to plan. The level of cost is similar to 2002 after adjustments are made for inflation.

Travel

The significantly reduced level of international activity and a general reduction in travel costs throughout the organization resulted in expenses less than plan and lower than the previous year.

Risk Management

In 2003 SIAST began developing an enterprise risk management (ERM) approach to identify and prioritize risks and opportunities. This approach will optimize SIAST's ability to proactively manage those risks, identify opportunities to improve performance and make better decisions based on the risk population. A corporate risk profile that identified and ranked the risks based upon impact and likelihood of exposure was developed. Highlights of the prioritized risk profile and the processes and controls required to manage those risks follows.

Market Position

As the demand for post-secondary education and skills training continues to grow, the effort required in attracting applicants and ensuring successful completion of training will be more important than ever before. Employers are expecting ever-higher levels of education, and at the same time, demand is increasing for more specialized training – essentially, more programs for smaller groups of people. In response to the changing needs of business and industry, our program portfolio is continually under review. As well, business and industry experts are consulted on curriculum development. Surveys of both graduates and employers indicate this approach works. SIAST's reputation for providing high-quality, relevant skills training, our responsiveness to labour market training needs, the success of our graduates and competitive tuition fees are key factors in strengthening market position.

Staff Replacement

Faced with an aging faculty, increasing retirement and a growing demand for initial employee development and training, the implementation of an effective succession plan is critical. Work is underway to gather information on the recruitment challenges as the organization faces increased retirements in the next five to 10 years. A leadership succession planning framework has been developed to focus on creating an inventory of SIAST's current senior management workforce in order to meet future leadership needs.

Management Discussion and Analysis

Funding

Our success in achieving our goals and objectives is predicated upon consistent and predictable funding for the planning period. With the majority of revenue derived from public funding, SIAST operations must satisfy the requirements of the provincial government, business and industry, taxpayers and clients. By developing and delivering relevant skills and technical training programs that respond in a timely manner to the needs of business, industry and the labour force, SIAST is a major contributor to economic growth and prosperity in Saskatchewan. Communications initiatives ensure government officials understand the positive impact SIAST has on the province's social and economic development.

Union Relationships

Ninety-five percent of SIAST employees are represented by the Saskatchewan Government and General Employees' Union through the SIAST Academic Bargaining Unit and the SIAST Administrative Support Bargaining Unit. Opportunities for management and the union officials to keep the lines of communication open are promoted and encouraged in developing and maintaining a positive relationship.

Facility Management

Fees paid to the Saskatchewan Property Management Corporation (SPMC) for the management of SIAST facilities make up approximately 13 percent of SIAST's total expenditures. The level of funding allocated to SPMC requires us to exercise control over expenditure increases and forecast major changes in costs. SIAST management has been working closely with SPMC officials to ensure effective lines of communication regarding the cost of operating SIAST facilities are established.

Student Recruitment

Demographic recruitment challenges facing SIAST include the decline of the Saskatchewan school-age population from 1980-2000 and the growing Aboriginal population particularly in the under-15 age group. These two trends suggest that SIAST will have a smaller pool of students to draw on and that a higher proportion of the student population will be Aboriginal. Demographic trends also suggest that the cost of training will continue to rise as more individualized accommodation, increased learner support and tailored student success strategies add to the cost of delivering training. Initiatives undertaken to address these challenges include facilitating access to learning and training for Aboriginal students through co-operative ventures with Aboriginal communities, organizations and educational partners; developing strategies to recruit, admit and retain Aboriginal students; expanding recruitment of individuals in the workforce; providing flexible, modular training; and making courses available off campus in the evenings or online so that students can be employed while completing SIAST programs.

Management Report

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise because they include certain amounts based on estimates and judgments. Management has ensured that the financial statements are presented fairly in all material respects. The financial information presented elsewhere in the annual report is consistent with that in the financial statements.

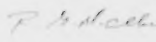
Management has ensured that the organization is in compliance with the provisions of legislation and related authorities.

Management maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that assets are appropriately accounted for and adequately safeguarded.

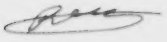
The board of directors of SIAST is responsible for reviewing and approving the financial statements and, primarily through its audit committee, ensures management fulfills its responsibilities for financial reporting.

The audit committee is appointed by the board and is composed of directors who are not employees of SIAST. The audit committee meets periodically with management and with external auditors to discuss internal controls, auditing matters and financial and reporting issues to satisfy itself that each party is properly discharging its responsibilities. The audit committee reviews the financial statements and the external auditors' report and also considers, for approval by the board, the engagement or reappointment of the external auditors. The audit committee reports its findings to the board for its consideration when approving the financial statements for issuance.

The financial statements have been audited by KPMG LLP and the Provincial Auditor of Saskatchewan in accordance with Canadian generally accepted auditing standards. KPMG LLP and the Provincial Auditor of Saskatchewan have full and free access to the audit committee.



Dr. Robert G. McCulloch
President & CEO
August 13, 2003



Rand B. Smale C.A.
Chief Financial Officer

Auditors' Report to the Members of the Legislative Assembly of Saskatchewan

We have audited the statement of financial position of the Saskatchewan Institute of Applied Science and Technology (SIAST) as at June 30, 2003, and the statements of operations, changes in net assets and cash flows for the year then ended. SIAST is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of SIAST as at June 30, 2003, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Saskatoon, Saskatchewan
August 13, 2003

Provincial Auditor
Regina, Saskatchewan
August 13, 2003

Statement of Financial Position

June 30, 2003, with comparative figures for 2002
(in thousands of dollars)

	2003	2002
Asset		
Current assets:		
Cash	$ 1,821	$ 2,031
Marketable securities (note 4)	12,904	8,916
Accounts receivable (note 5)	4,618	5,029
Inventories (note 6)	1,567	1,691
Prepaid expenses	279	192
	21,189	17,859
Capital assets (note 7)	24,751	25,932
	$ 45,940	$ 43,791
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 3,742	$ 3,947
Salaries and benefits payable	5,128	6,218
Unearned revenue (note 8)	3,742	3,937
Deferred contributions (note 9)	975	229
Deferred grants (note 10)	2,231	2,549
Current portion of obligation under capital leases (note 11)	159	131
Current portion of infrastructure financing agreement (note 12)	273	–
	16,250	17,011
Obligation under capital leases (note 11)	542	634
Infrastructure financing agreement (note 12)	1,227	–
Deferred contributions related to capital assets (note 13)	11,093	11,816
	29,112	29,461
Net Assets:		
Net assets invested in capital assets	11,457	13,351
Net assets restricted for endowment (note 14)	356	
Operating net assets	5,015	979
	16,828	14,330
Commitments (note 15)		
	$ 45,940	$ 43,791

See accompanying notes to financial statements.

On behalf of the board:

Chair Christine Boyczuk

Director Cheryl Bauer Hyde

Statement of Operations

Year ended June 30, 2003, with comparative figures for 2002
(in thousands of dollars)

	2003 Budget	2003 Actual	2002 Actual
Revenue:			
Grants	$ 87,622	$ 88,058	$ 84,033
Contractual services	19,745	21,569	21,700
Tuition and fees	17,379	17,583	17,143
Sales	6,524	6,445	6,573
Amortization of deferred capital contributions	1,500	1,680	1,264
Investment	641	577	685
Donations	39	176	214
Rentals	141	117	170
	133,591	136,205	131,782
Expenses:			
Salaries and benefits	85,794	87,541	88,069
Facilities rental	16,549	17,065	16,325
Materials and supplies	9,531	9,037	8,642
Services	9,699	8,847	8,685
Amortization	6,024	6,058	5,949
Travel	3,687	2,997	3,273
Equipment rental and repairs	2,105	2,071	2,064
Scholarships and donations	202	447	389
	133,591	134,063	133,396
Excess (deficiency) of revenue over expenses	$ –	$ 2,142	$ (1,614)

See accompanying notes to financial statements

Statement of Changes in Net Assets

Year ended June 30, 2003, with comparative figures for 2002
(in thousands of dollars)

	Invested In Capital Assets	Operating Net Assets	Restricted for Endowments	2003 Total	2002 Total
Balance, beginning of year	$ 13,351	$ 979	$ –	$ 14,330	$ 15,944
Excess (deficiency) of revenue over expenses	(4,439)	6,581	–	2,142	(1,614)
Endowment contributions	–	–	356	356	–
Invested in capital assets	2,545	(2,545)	–	–	–
Balance, end of year	$ 11,457	$ 5,015	$ 356	$ 16,828	$ 14,330

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended June 30, 2003, with comparative figures for 2002
(in thousands of dollars)

	2003	2002
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	$ 2,142	$ (1,614)
Amortization of capital assets	6,058	5,949
Amortization of deferred capital contributions	(1,680)	(1,264)
Change in non-cash working capital (note 16)	(614)	(7,157)
Loss (gain) on sale of capital asset	61	(85)
Cash provided by (used in) operating activities	5,967	(4,171)
Financing and investing activities:		
Purchase of capital assets	(5,091)	(8,708)
Contributions for capital assets purchased	957	2,293
Increase in obligation under capital leases	77	855
Repayments of obligation under capital leases	(141)	(109)
Proceeds from sale of capital assets, net of capital lease obligation	153	157
Increase in infrastructure financing agreement	1,500	–
Endowment contributions	356	–
Decrease (increase) in marketable securities	(3,988)	9,781
Cash used in financing and investing activities	(6,177)	4,269
Net increase (decrease) in cash	(210)	98
Cash, beginning of year	2,031	1,933
Cash, end of year	$ 1,821	$ 2,031

See accompanying notes to financial statements.

Notes To Financial Statements

Year ended June 30, 2003
(in thousands of dollars)

1. **Statutory authority:**

The Saskatchewan Institute of Applied Science and Technology (SIAST) was established as a public educational corporation by the Legislative Assembly of Saskatchewan under *The Institute Act* and is continued under *The Saskatchewan Institute of Applied Science and Technology Act*.

2. **Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

(a) Revenue recognition:
SIAST follows the deferral method of accounting for grants and other contributions. Grants and contributions for expenses of future periods are deferred and recognized as revenue in the year in which the related expense is incurred.

Grants for capital assets are deferred and recognized as revenue on the same basis as the acquired capital assets are amortized. Endowment contributions are recognized as direct increases in net assets in the year received or receivable.

Revenue from contractual services is recognized as the service is delivered. Revenue from tuition and fees is recognized as the course instruction is delivered.

(b) Inventories:
Inventories consist of merchandise and supplies held for resale and are valued at the lower of cost and net realizable value. Administrative and program supplies and library periodicals are not inventoried.

(c) Capital assets:
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution with an offsetting amount recorded to deferred contributions relating to capital assets. Amortization is charged to operations on the straight line basis over the following estimated useful lives of the assets:

Asset	Period
Industrial and heavy equipment	10 years
Furniture	10 years
Office equipment, specialized equipment and library	5 years
Vehicles	8 years
Leasehold improvements:	
SPMC-owned properties	15 years
Other properties	Lease term
Computer equipment	3 years

(d) Marketable securities:
Marketable securities are stated at cost, which approximates market.

(e) Use of estimates:
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions regarding the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the year. Actual amounts may differ from these estimates.

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

3. Foundations:

In the past, foundations as not-for-profit organizations separate from SIAST operated to solicit funds and offer financial support to students at SIAST. During the year, these foundations were dissolved and their accumulated funds transferred to SIAST. Funds transferred from foundations, which were designated for scholarships, are reflected in SIAST's financial statements as deferred contributions. Funds that were designated as endowments are classified as net assets restricted for endowments.

The effective dates and value of funds transferred are as follows:

Organization	Date of transfer	Value of funds transferred
Kelsey Foundation Inc.	December 31, 2002	$ 314
Palliser Campus Development Foundation	March 31, 2003	445
Wascana Campus Foundation Inc.	December 31, 2002	32
Wascana Institute Bursary and Scholarship Trust	June 30, 2003	261
Woodland Foundation Inc.	December 31, 2002	2
		$ 1,054

4. Marketable securities:

	2003	2002
Commercial paper	$ 11,971	$ 8,916
Equities and pooled funds	933	-
	$ 12,904	$ 8,916

A portion of marketable securities is held for scholarships (note 9) and endowments (note 14).

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

5. Accounts receivable:

	2003	2002
Tuition fees	$ 169	$ 169
Programs delivered	1,059	1,275
Federal government	552	726
Provincial government - General Revenue Fund	2,295	2,378
Other	543	481
	$ 4,618	$ 5,029

6. Inventories:

	2003	2002
Bookstores	$ 1,355	$ 1,547
Food services	68	72
Shop and service supplies	144	72
	$ 1,567	$ 1,691

7. Capital assets:

	2003			2002
	Cost	Accumulated amortization	Net book value	Net book value
Vehicles and equipment	$ 75,489	$ 62,028	$ 13,461	$ 14,211
Leasehold improvements	15,327	4,037	11,290	11,721
	$ 90,816	$ 66,065	$ 24,751	$ 25,932

The net book value of assets under capital lease was $629 (2002 - $739).

8. Unearned revenue:

	2003	2002
Tuition and fees	$ 1,166	$ 1,218
Contractual services	674	829
Grants - operations and rent	1,844	1,698
Other	58	392
	$ 3,742	$ 3,937

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

9. Deferred contributions

Deferred contributions represent unexpended resources externally restricted for scholarships and other purposes.

	2003	2002
Beginning balance	$ 229	$ 229
Transferred from foundations	698	–
Contributions and investment income received during the year	152	–
Recognized as donation revenue	(104)	–
	$ 975	$ 229

10. Deferred grants:

	Skills training	Capital assets	2003 Total	2002 Total
Beginning balance	$ 1,440	$ 1,109	$ 2,549	$ 2,516
Amount received	1,309	500	1,809	4,951
Recognized in the year	(1,561)	(566)	(2,127)	(4,918)
Ending balance	$ 1,188	$ 1,043	$ 2,231	$ 2,549

Skills Training deferred grants represent unspent grants which are restricted to the Skills Training programs. Under these programs, the Department of Learning provides funding to enable SIAST to respond regionally to emerging skills shortages. Capital assets represent unspent grants for capital assets.

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

11. Obligation under capital leases:

	2003	2002
Beginning balance	$ 765	$ 153
Repayments during the year	(141)	(109)
Additions during the year	77	855
Disposals during the year	—	(134)
Ending balance, overall	701	765
Less current portion	159	131
Long-term ending balance	$ 542	$ 634

Minimum lease payments under the capital leases are as follows:	
2004	$ 207
2005	207
2006	207
2007	189
2008	22
Total minimum lease payments	832
Less amount representing future interest	131
Net obligation under capital leases	$ 701

Interest rates on the leases range from 7.2% to 11.4%. Interest expensed during the year amounted to $66 (2002 - $49).

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

12. Infrastructure financing agreement:

During the year, SIAST received $1.5 million from the Educational Infrastructure Financing Corporation, a Saskatchewan crown agency, to be used for capital asset purchases. SIAST has signed an agreement with the Corporation and the Minister of Learning that sets out the conditions for these monies. The agreement assigns a fixed interest rate of 5.1% and a repayment term of five years that approximates the useful life of the related capital projects. Repayment is required in semi-annual installments over the prescribed term. Subject to the annual appropriation of the required funds, the Minister of Learning, through the General Revenue Fund, undertakes to repay the Corporation on behalf of SIAST, the following principal and interest amounts:

	Principal	Interest
2004	$ 273	$ 74
2005	284	60
2006	299	45
2007	315	29
2008	329	13
Ending balance	**$ 1,500**	**$ 221**

13. Deferred contributions related to capital assets:

	2003	2002
Beginning balance	$ 11,816	10,787
Amortization	(1,680)	(1,264)
Contributions for capital assets purchased	957	2,293
Ending balance	**$ 11,093**	$ 11,816

Deferred contributions related to capital assets represent the unamortized portion of grants expended for capital assets.

14. Net assets restricted for endowment:

Endowments consist of donations to SIAST where the donor requires SIAST to maintain the principal intact in perpetuity. SIAST must use the investment income generated from endowments in accordance with the objectives established by the donors.

Notes To Financial Statements - continued

Year ...ed June 30, 2003
(thousands of dollars)

15. Commitments:

SIAST has a number of operating lease commitments pertaining to land and buildings and equipment. All land and buildings are leased on a continuing basis from the Saskatchewan Property Management Corporation (SPMC). The equipment is leased from various private lessors.

A summary of the future minimum operating lease commitments over the next five years is as follows:

	Land and buildings SPMC	Equipment other lessor	Total
2004	$ 17,376	$ 1,605	$ 18,981
2005	17,376	371	17,747
2006	17,376	237	17,613
2007	17,376	237	17,613
2008	17,376	237	17,613

SIAST is committed to providing annual funding toward professional development activities of in scope academic and administrative support employees. SIAST is also committed to provide annual funding toward a succession planning incentive plan. The amounts of these commitments for fiscal 2004 will be determined by a new collective agreement, which is currently under negotiation and will be effective July 1, 2003.

16. Change in non-cash working capital:

	2003	2002
Accounts receivable	$ 411	$ 326
Inventories	124	125
Prepaid expenses	(47)	49
Accounts payable and accrued liabilities	(259)	(3,578)
Salaries and benefits payable	(1,390)	(4,822)
Unearned revenue	(196)	987
Deferred contributions	746	
Deferred grants	(283)	42
	$ (614)	$ (7,157)

Notes To Financial Statements - continued

Year ended June 30, 2003
(in thousands of dollars)

17. Financial assets and liabilities:

Cash, marketable securities, accounts receivable, accounts payable and accrued liabilities and salaries and benefits payable are all short-term in nature and as such their carrying value approximates fair value.

18. Related parties:

Included in the financial statements are revenue and expense amounts resulting from routine transactions conducted at prevailing market prices with various Saskatchewan Crown-controlled departments, agencies and corporations with which SIAST is related. Account balances resulting from these transactions are included in the balance sheet and settled on normal trade terms. Other transactions with related parties are disclosed elsewhere in these statements.

During the year, SIAST recognized revenue from the General Revenue Fund of the Government of Saskatchewan for operations and rent in the amount of $88,061 (2002 - $83,960). The Department of Learning through the General Revenue Fund also funds training on a contractual basis. During the year, $7,445 (2002 - $7,810) was recognized for these contractual programs.

SIAST also recognized revenue for contractual services from the Government of Saskatchewan regional colleges for $3,825 (2002 - $2,952). SIAST made payments to regional colleges totalling $266 (2002 - $630).

SIAST recognized revenue for contractual services of $6,091 (2002 - $6,284) from the Saskatchewan Apprenticeship and Trade Certification Commission to provide apprenticeship training. These transactions are at negotiated rates.

SIAST paid SPMC $20,668 (2002 - $18,643) for accommodation, construction management and other services. These transactions are at rates set by SPMC.

Included in services expenses is $1,662 (2002 - $1,775) paid to SaskTel for communication services. These transactions are recorded at rates set by SaskTel.

Marketable securities of $11,904 as set out in note 4, are held by the Department of Finance as custodian.

SIAST employees participate in various multi-employer defined benefit and money purchase type pension plans. The majority of these are managed and administered by the Department of Finance. Employer contributions for money purchase plans are included in expenses in these financial statements. Employer obligations associated with the defined benefit pension plans are the responsibility of the General Revenue Fund of the Government of Saskatchewan.

Payments to other related agencies included: Public Employees Pension Plan $6,501 (2002 - $6,285); Public Service Superannuation Plan $319 (2002 - $335); Public Employees Dental Plan $729 (2002 - $731); University of Saskatchewan $326 (2002 - $301) and the Workers Compensation Board of Saskatchewan $396 (2002 - $171).

19. Expenses by function:

Following is a summary of expenses by function:

	2003	2002
Programs	$ 82,256	$ 81,166
Facilities	18,594	17,524
Student services	9,801	1,620
Ancillary	5,720	6,051
Administration	17,692	19,035
	$ 134,063	$ 133,396

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